

Rhode Island Workers' Compensation Insurance Adjuster Exam Guidelines and Study Outline

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Notice from the Department of Business Regulation (DBR)

As of June 1, 2002, the Department will be issuing three (3) lines of Adjuster licenses: personal, commercial without workers' compensation, and workers' compensation only. If you have already applied and have been approved by the Rhode Island Insurance Division for a commercial Adjuster license and pass the examination by August 31, 2002, you will be issued a commercial license that includes workers' compensation. However, if you apply for a new Adjuster license (as opposed to a renewal) after June 1, 2002, you must indicate which line(s) of Adjuster license(s) for which you are applying. There will be a separate examination for each line. If you currently hold a commercial lines license, renewal of your license will continue to include workers' compensation. Should a current licensee allow his/her commercial Adjuster license to lapse, a new license application subject to the above rules must be filed.

Study Materials

- Exam Content Outline
- Related WC Statutes
- Detailed Study Outline
- Instructions for Out-of-State Testing (if applicable)
- DBR Candidate Instructions

Adjuster Licensing

- Handled by the Rhode Island Department of Business Regulation (DBR), (401) 222-2223 www.dbr.state.ri.us. Exam administered by DBR through Promissor, formerly CAT*ASI at www.promissor.com
- Reciprocal States
CT, KY, NC, NH, ME, MI, OK, SC, TX, VT
NONRESIDENTS— Exempt from taking exam if they are licensed in their home state for the same lines being requested in RI and if their state is reciprocal. Same fees apply; see application requirements
- Study materials are provided by the Department of Labor and Training, Division of Workers' Compensation at www.dlt.ri.gov/wc.

STUDY OUTLINE

Refer to *Examination Content Outlines - RI Workers' Compensation Insurance Adjuster Content Outline*

I. Workers' Compensation Insurance, Employer's Liability Insurance, and Related Issues

A. Policy Concepts

- Essentially –

What situations would be paid under the comp policy?

B. Self-Insurance

- Traditional Insurance

OR

- Self-Insurance certified by the Department of Labor and Training

C. Work-Related vs. NOT...

- Willful intention
- Intoxication or unlawful use of controlled substances
- Voluntary participation in employer-sponsored social or nonprofessional athletic activity

D. Fraud Prevention

- Within DLT
- Documents or evidence are privileged and not open to the public
- Employee must be notified that endorsing a benefit check affirms eligibility to compensation
- Statutory check endorsement statement must be on all checks

E. Workers' Compensation Court

- Mandatory Pretrial conference within 21 days of filing
- Payments made within 14 days of the entry of the order
- Claim a trial within 5 days

F. WC Administrative Fund

- Every self-insured employer and every insurer must pay \$7,500 into the Workers' Compensation Administrative Fund for every case of injury causing death in which there is no person entitled to compensation.

G. Preferred Provider Network

- If the insurer or self-insured employer has a preferred provider network (PPN), approved by the Medical Advisory Board, any change by the employee from the initial health care provider of record can only come from the PPN. If not in the PPN, approval must be obtained.

H. Health Care Provider Fee Schedules

- Medical fees are paid based on ~
 - Hospital Fee Schedule: In-patient; Emergency Room; Ambulatory surgery
 - Medical Fee Schedule: All others

II. Workers' Compensation (State)

A. Requirements

1. Forms (order has been changed for ease of training)
 - e. Waiver
 - f. Physician's Forms
 - d. Employer's First Report of Injury
 - a. Non-prejudicial Agreement
 - b. Memorandum of Agreement
 - g. Report of Earnings
 - c. Termination of Payment--Accounting

e. Common Law Rights - Waiver

- Claim of common law rights
- At the time of his or her contract of hire
- DWC-11
- Filed with DLT
- \$5.00 filing fee

f. Physician Forms

- Notification of Compensable Injury
- Notice of Release to Work
 - Health care provider may charge \$20 to the insurer or self-insured employer for the timely filing of these two forms

d. Employer's First Report of Injury

- File within 10 days of knowledge
 - ...if injury incapacitates the employee from earning full wages for at least three days
 - ...if medical treatment was required regardless of period of incapacity
- File within 48 hours of death
- \$250 fine may be assessed for failure to report or late reporting
 - Beware of tele-reporting errors

a. Non-prejudicial Agreement

- Allows for payments for up to 13 weeks without accepting liability
- If the payment of compensation is terminated, notice must be given to the employee and his or her attorney within 10 days of the termination
- If payments are made for more than 13 weeks, a Memorandum of Agreement (MOA) must be filed with DLT within 10 days

b. Memorandum of Agreement

- Accepts liability
- A copy of the MOA must be filed with the Department of Labor and Training within 10 days of the initial payment with a Report of Indemnity Payment (DWC-22) attached

g. Report of Earnings

- Between insurer and employee
- Regular intervals
- Cannot be used to delay payments to an employee
- Keep accurate records

c. Termination of Payment—Accounting

- Within 60 days after the discontinuance or suspension of compensation payments, DLT can require an itemized accounting of a claim, including medical, from the insurer with a copy to the employee and his or her attorney and the employer.

2. Sole Proprietors and Partners

3. Employment Covered

- WC insurance is mandatory for employers with one or more employees
- Jurisdiction for those hired to work in RI
 - As of January 1, 2004 – those injured or hired in Rhode Island
- Partial list of exclusions:
 - Members of fire and police departments
 - Sole proprietors and Partners
 - Independent contractors
 - Volunteers
 - Certain real estate persons and farm laborers

4. Penalties

- \$250 fine may be assessed for failure to report or late reporting

B. Benefits

- Reasonable Medical for Injury or Occupational Disease/Illness
- Percentage of Lost Wages
- Dependency Benefits if Total
- Specific Damages
- Rehabilitation
- Death Benefits

1. Waiting Period

- Three-day waiting period – no retro

2. Computation of Earnings

- Bonus and Overtime included; separately
- Wages from concurrent employment included
- Full Time – 13 weeks
- Part Time – 26 weeks
- Seasonal – 12 months
- Recurrence – If employee returned to employment for 26 weeks or more, new average weekly wage is calculated

3. Medical and Vocational Rehabilitation

- Dr. John E. Donley Rehabilitation Center
 - Within DLT offering physical, vocational and psychological services
 - Rehabilitation evaluation available after receiving compensation for more than 3 months
 - While participating in an approved rehab program, compensation cannot be reduced or terminated

4. Choice of Physician

- An injured worker shall have the freedom of choice to obtain health care, diagnosis, and treatment from any qualified health care provider initially.

Choice of Physician

- Examination or treatment at a facility providing emergency care or by a physician under contract with the employer or insurer shall not constitute the employee's initial choice to obtain health care, diagnosis, or treatment.

5. Total vs. Partial

- *Total Incapacity*
 - Same calculation for compensation rate
 - Payment for dependents
 - COLA as of May 10 if total for 52 weeks
 - No set time limit
- *Partial Incapacity*
 - Same calculation for compensation rate
 - NO dependency
 - No COLA unless passage through the "Gate" at the end of 312 week time limit
 - Insurer/Employer must send a notice of intention to terminate to employee and DLT at least 26 weeks prior

6. Death

- Every self-insured employer and every insurer must pay \$7,500 into the Workers' Compensation Administrative Fund for every case of injury causing death in which there is no person entitled to compensation.
- Burial Benefits on regular death claim is now \$15,000

7. Specific Injuries

- Payment is mailed within 14 days of the entry of a decree, order, or agreement of the parties

8. Reinstatement

- Employers with ten or more
- Employees capable of pre-injury job tasks with or without reasonable accommodation
- Subject to ADA and collective bargaining agreement
- Position is “available” even if filled by replacement worker
- Disputes are heard by WC Court

Reinstatement does not apply to a worker:

- hired on a temporary basis
- in a seasonal occupation
- who is on a probationary period of less than 91 days
- who works out of a hiring hall operating pursuant to a collective bargaining agreement

9. Dependency

- Dependency is not paid on Partial Incapacity claims
- \$15 per week - Total Incapacity
- \$40 per week - Death Claim

C. Definitions

- Part-time
 - Hired for less than 20 hours per week
- Full-time
 - Hired for 20 hours or more per week
- Seasonal
 - Hired for 16 weeks or less
- Occupational Disease

After Passing...General License Information

- Current licenses will expire August 31, 2005
- License number is your SSN – DBR is looking into changing this system
 - **Contact DBR for a different number**
- All licensing questions go to DBR
 - (401) 222-2223